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June 19, 2015

Clerk of the Board California Air Resources Board 1001 I Street Sacramento, CA 95814 COMMITTEES

CHAIR: ACCOUNTABILITY AND ADMINISTRATIVE REVIEW AGRICULTURE GOVERNMENTAL ORGANIZATION VETERANS AFFAIRS

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CHAIR: REGIONAL APPROACHES TO ADDRESSING THE STATE'S WATER CRISIS CHAIR: WORKFORCE AND VOCATIONAL DEVELOPMENT IN CALIFORNIA CYBERSECURITY DIGITAL DIVIDE IN RURAL CALIFORNIA EXPANDING ACCESS TO CALIFORNIA'S NATURAL RESOURCES LOCAL EMERGENCY PREPAREDNESS RAIL WASTE REDUCTION AND RECYCLING IN THE 21ST CENTURY CALIFORNIA

Subject: Comments on the 15 Day Regulatory package for the LCFS Regulation

I strongly support the Low Carbon Fuel Standard's (LCFS or regulation) provisions for Low Complexity – Low Energy Use Refiners (LCLE Refiners). These provisions recognize that not all refineries are the same. I believe that there is solid policy and technical justifications for this distinction to be codified in the LCFS. The Air Resources Board (CARB or Board), as well as, the U.S. Environmental Protection Agency have traditionally recognized in their regulatory programs the unique value small refiners (LCLE) occupy in both the oil and finished fuel markets, as well as, their unique configurations and operating constraints. Recognizing that difference is a very positive step.

However, I am disappointed that the proposed final regulatory provisions for the re-adoption of California's Low Carbon Fuel Standard (15-day changes) fails to recognize Alon's Bakersfield Refinery as a low carbon fuel producer (LCLE). The facility is configured and engineered to produce low CI base fuels. It is for this reason that I am disappointed that staff was unable to agree on a solution that would include all of California's truly LCLE refineries. The staff had an opportunity to make the LCFS's LCLE provisions work for all low carbon intensity refineries in California, but decided against various compromise proposals presented, including proposals to limit the benefit any single LCLE refiner could receive in an attempt to deal with staff's concerns for "regulatory creep" and "breaking the Bank"

In closing, I strongly urge the Board to direct staff to revisit this issue at the earliest opportunity. Should you have any questions or concerns, please contact me or my Chief of Staff, Yolanda Sandoval, at (916) 319-2032.

Sincerely,

RUDY SALAS

Member of the Assembly

32nd District

RS:ys

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